



POSTAL REGULATORY COMMISSION

[Docket No. MC2022-51; Order No. 6149]

Mail Classification Schedule

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is recognizing a recent Postal Service filing concerning classification changes to the Mail Classification Schedule (MCS) related to Ancillary Services, along with corresponding minor revisions to other MCS entries. This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* April 22, 2022.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION**

CONTACT section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On April 6, 2022, the Postal Service filed a formal request to make a material modification to the product description of Ancillary Services on the Mail Classification Schedule (MCS), along with corresponding "minor revisions" to other

MCS entries.¹ Specifically, the Postal Service seeks to strike the description of Special Handling in section 1505.18 of the MCS, as well as all other references to Special Handling. Request at 1. To support its Request, the Postal Service incorporated a statement of supporting justification required by 39 CFR 3040.180 and attached its proposed changes to the MCS.²

II. Summary of Changes

The Postal Service intends to discontinue the Special Handling service and seeks to remove all references to it from the MCS. Request at 1-2. It explains that Special Handling is an extra offering available for certain mailing and shipping services that allows mailers to request careful treatment of their items for a \$12.15 fee. See *id.* at 2-3. According to the Postal Service, however, “experience indicates that observance of [instructions to treat these items with care] is inconsistent” and many items do not receive the label that should inform handlers of these instructions. *Id.* Moreover, the Postal Service states that “[m]any types of sensitive goods for which mailers purchase Special Handling already require special packing, packaging, and labeling,” thus compliance with those requirements signals that the handler is to give the item special attention and rendering the Special Handling designation superfluous. *Id.* at 3. The Postal Service contends that “purchaser[s] of Special Handling may expect a level of service or sanctity from the Postal Service that is not fully contemplated or provided.” *Id.*

¹ United States Postal Service Request to Modify the Product Description of Ancillary Services on the Market Dominant Product List, April 6, 2022, at 1 (Request).

² The Postal Service asserts that, because the Commission has historically treated Ancillary Services as a “product” and the various services listed within as “components” or “sub-components,” and because the Postal Service intends to keep Ancillary Services on the market dominant product list, the elimination of Special Handling constitutes a material modification of a product description subject to 39 CFR Part 3040, Subpart E, rather than the removal of a product subject to Subpart B. See Request at 1 n.1.

Additionally, the Postal Service asserts that the proposed change will better align the value of the service with customer expectations. *Id.* According to the Postal Service, Special Handling does not correspond with market expectations because private companies do not offer their customers an expectation of special handling for fragile items that are packed by the customer (with or without a fee). *Id.* at 4. Instead, the Postal Service contends that throughout the parcel shipping industry, a customer preparing fragile items for shipping bears the burden “to self-insure via adequate package-preparation practices, accepting the risk of damage or loss from any shortfalls.” *Id.*

The Postal Service maintains that the proposed change “is not inconsistent with the policies and applicable criteria of 39 U.S.C. Chapter 36 or any regulatory rules or directives.” *Id.* The Postal Service further asserts that these provisions are inapplicable to the proposed change. *See id.* Nevertheless, “to the extent that the Commission might deem such provisions to articulate general policies,” the Postal Service contends that it has considered the factors set forth in 39 U.S.C. 3622(c) and the provisions appearing in 39 U.S.C. 101, 403, and 404. *See id.* at 4-5.

With respect to the impact of the proposed change, the Postal Service does not expect that customers will experience a material diminution in the services received. *Id.* at 5. According to the Postal Service, the proposed change will improve the customer experience by decreasing mailing costs and better aligning customer expectations with operational realities and industry practice. *Id.* at 5-6. Finally, the Postal Service expects that the proposed change will not impact competitors significantly “because no commercial competitors offer a similar service.” *Id.* at 6.

III. Notice of Commission Action

Pursuant to 39 CFR 3040.182, the Commission has posted the Request on its website and invites comments on whether the Postal Service's filings are consistent with 39 CFR 3040.180. Comments are due no later than April 22, 2022. The filing can be accessed via the Commission's website (<http://www.prc.gov>).

The Commission appoints Matthew Ashford to represent the interests of the general public (Public Representative) in this docket.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. MC2022-51 to consider matters raised by this Notice.
2. Comments by interested persons are due by April 22, 2022.
3. Pursuant to 39 U.S.C. 505, Mathew Ashford is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
4. The Commission directs the Secretary of the Commission to arrange for prompt publication of this notice in the **Federal Register**.

By the Commission.

Jennie L. Jbara,

Alternate Certifying Officer.

[FR Doc. 2022-08095 Filed: 4/14/2022 8:45 am; Publication Date: 4/15/2022]